



STATE SENATOR 7th District

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Dear Friends,

With summer coming to a close, I want to provide you with a legislative report on several important issues. Please do not hesitate to contact me toll-free at 866-262-7307 or at senbpatterson@senate.michigan.gov if you would like further information on any of the topics in this newsletter.

Earlier this year, the Senate solved a \$900 million deficit in the current budget, starting with cuts to the Legislature's own budget. We balanced the books while maintaining essential state services without a tax hike. A massive shortfall looms in the 2008 budget – projected at over 1 billion dollars. As these recurring deficits make clear, the time has come for bold action to force government to live within its means.

I believe we must restructure and streamline government. It is time to take a hard look at the services government provides and how those services are delivered. You can read in this newsletter about the innovative health care reforms Senate Republicans have proposed under the MI HEART plan. Reforms in corrections are also under consideration. As escalating prison costs take a larger slice of the state budget, we must contain those costs without putting dangerous felons on the street.

Difficult decisions lie ahead for our state, but I am confident common sense reforms will help extract Michigan from a spiral of fiscal crises. We can meet the challenges ahead, and a new Michigan - strong and competitive - can emerge.

It is an honor to serve you and the families of the 7th district in the Michigan Senate. I hope you will take a moment to answer and return the brief survey in the back of the newsletter. Your thoughts, ideas and concerns are important and help me better represent your needs. I look forward to hearing from you or seeing you in the district soon!

Best wishes,

Bruce Patterson
State Senator
7th District



NEW BUSINESS TAX ENCOURAGES JOB CREATION

A new business tax has been passed into law and that's good news for Michigan job providers and workers alike. The tax plan rewards job creation, investment, and economic expansion.

Most importantly, the plan protects Michigan's vital small business sector. Small businesses are the backbone of our economy, accounting for 98 percent of firms that have employees. A special part of the plan includes a "Michigan Entrepreneurial Exemption" to help small businesses grow and expand. Firms pay no taxes for up to five years if the business meets certain job growth and investment benchmarks.

The agreement also provides tax relief for the auto companies and other large manufacturers, and gives strong incentives for firms to move their business to Michigan. It is important that we do everything we can to encourage companies to set up shop and operate here.

I am proud to say the pro-growth features of the original Senate Republican BEST proposal are a significant part of the new plan. Our goal from the start was to build a foundation to keep our state competitive in the 21st century and spur employment for Michigan workers.



AFFORDABLE HEALTH CARE IS A TOP PRIORITY

Affordable health care is on everyone's mind. Senate Republicans have introduced legislation that would help people better manage their health and health care costs, and help the estimated 1.2 million Michigan residents who are uninsured.

The centerpiece of this effort is the MI HEART (Michigan Helping Ensure Affordable and Reliable Treatment) package. Key parts of the plan:

- Create the MI HEART Exchange – a marketplace for the purchase of affordable, basic health care coverage, with a subsidized program for eligible low-income individuals.
- Require healthy behavior incentives and provider pay-for-performance measures in the Medicaid program. This year, Michigan's Medicaid caseload will include 1.58 million people - nearly a 50 percent increase since the start of the decade.
- Provide parents with family coverage the opportunity to continue that coverage for their children up to the age of 26, even if that child is no longer considered a dependent.

PATTERSON BILL PROTECTS CHILDREN

Legislation I introduced to help safeguard our children passed the Senate unanimously earlier this year. Senate Bill 386 corrects an omission in Penal Code pertaining to criminal sexual conduct laws.

Currently, the provisions in the criminal sexual conduct laws relating to teachers, substitutes and administrators, do not include other school employees, contractual service providers and volunteers. An incident at an area high school prompted me to develop the legislation to include these individuals.

Trusted individuals such as coaches, liaison officers, bus drivers and others should face the same prohibition against sexual misconduct as teachers. Our schools should always be a safe environment for our children.

The bill awaits consideration in the House.

PATTERSON BILL WOULD REVISE BUDGET PROCESS

During these difficult economic times, it is especially important that every taxpayer dollar is used as effectively and efficiently as possible. That is why, earlier this year, I introduced legislation to require the state of Michigan to use zero-based budgeting.

A zero-based budget is one that requires a department to justify all requested expenditures. Each department would begin its budget process at zero dollars, instead of beginning each fiscal year with last year's budget and requesting more money. A dime will not be spent until it is debated and justified.

Ohio, Oklahoma, Texas and Utah all use a form of the zero-based budget system.

Senate Bill 584 would require the Legislature to use the zero-based budget process when funding the state budget each fiscal period. The bill has been referred to the Senate Committee on Appropriations.

PATTERSON RESEARCHES RENEWABLE ENERGY

The health of Michigan's economy depends on many factors, including a reliable, sustainable energy supply. As chairman of the Senate's Energy Policy Committee, I have been working with many experts to develop a long-range energy plan for Michigan.

Earlier this summer, a Senate colleague and I went on a fact-finding mission to check out various forms of renewable and alternative energy. Fortunately, we didn't need to travel far. We toured a hydroelectric power facility in the Upper Peninsula and saw some exciting research on cellulosic ethanol and bio-diesel fuel being conducted at Michigan Tech University.

The presentations were very instructive and will be helpful as our committee begins to craft a renewable energy plan for Michigan. We are looking at a 30-year plan with adjustments made every five years.

It was also encouraging to see the range of cutting edge technology being developed here in our state. In addition, Michigan State University was recently awarded a \$50 million federal grant for biofuel research. I strongly believe Michigan can be a national leader in the development, production and use of renewable and alternative energy.

PATTERSON STANDS UP FOR MICHIGAN CONSUMERS

While work on the budget and business tax seems to have grabbed all the headlines, the Senate has approved key consumer protection legislation, including several measures that help reduce the risk of identity theft. I supported legislation that would:

- Allow consumers to place a "security freeze" on their credit report. A security freeze would prohibit consumer reporting agencies from releasing credit information without authorization. (SB 75 and 340)
- Remove or block out all or part of a Social Security number on public documents such as land titles, recording of deeds and mortgages. (SB 298-303)
- Eliminate the requirement that a person sign their vehicle registration card. (SB 79)

- Protect Michigan homeowners from mortgage fraud by prohibiting the inflation of property values through false appraisals. Michigan has been named one of the "hot spots" for mortgage and deed fraud by the FBI. (SB 342-343, 356, 432)
- Prohibit the expiration of gift cards in less than five years and prohibit inactivity fees. Multi-store cards bearing the VISA, AmEx or Mastercard logos are exempt. (SB 387-388)
- Increase the state's ability to penalize unlicensed builders and contractors. (SB 450-453)

I will continue to fight for the rights and interests of Michigan consumers. For more information on these bills, please contact my office toll-free at 866-262-7307 or visit www.michiganlegislature.org.

'07 LEGISLATIVE UPDATE



State Senator Bruce Patterson

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STATE SENATOR 7th District **Bruce Patterson**

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CLIP & RETURN



2007 SURVEY QUESTIONS

1. Do you support the early release of certain non-violent felons to save the state money?
2. Do you support the use of taxpayer money to fund embryonic stem cell research?
3. Should Michigan join 22 other states as a "Right to Work" state?
4. What should be the first step in fixing Michigan's fiscal problems?
 - A. Reform the way state services are delivered.
 - B. Increase revenues through taxes and fees.
5. What is the best way to reduce the high cost of health care in Michigan?
 - A. Universal health care for all Michigan residents even if it increases your personal insurance costs.
 - B. Wellness reforms that encourage healthy living through incentives.

VOTER 1

☐ Yes ☐ No

☐ Yes ☐ No

☐ Yes ☐ No

☐ A ☐ B

☐ A ☐ B

VOTER 2

☐ Yes ☐ No

☐ Yes ☐ No

☐ Yes ☐ No

☐ A ☐ B

☐ A ☐ B

Name: _____ E-mail: _____

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